

An unusually sophisticated pay-cable system is testing now—and the results could affect big cities everywhere

By David Lachenbruch

On Nov. 12, Otterbein College engaged Marietta College in a football contest—not in itself a particularly noteworthy occurrence, except, perhaps, to students and alumni of the two schools. It's not even important

who won or lost—what's important is how they played the game. They played it with a television audience kibitzing every play. By pressing buttons on their "home terminals," viewers became Saturday-evening quarterbacks instead of the Monday-morning variety. They actually were able to "vote" on which play they thought the quarterback should call next, and they saw their responses tabulated on the screen before the play began.

It's not known whether this majority

rule had any influence on the play actually called. What is known is that the viewers watching what certainly seemed to be a very unhistoric football game were part of what was hailed as the first large-scale American use of "participatory television." For their efforts, viewers who participated received a bill for \$2.50.

The viewers were residents of Columbus, Ohio, who subscribe to a new type of cable-TV service called "Qube," developed by Warner Cable Corporation, a subsidiary of the Warner Communications entertainment conglomerate. (Nobody at Warner will say exactly what, if anything, the name means, but "QUIZ the tuBE" is as good a guess as any.) It's undoubtedly the most elaborate cable system operating in the United States and, in fact, is a pilot project that Warner hopes to adapt to other areas if it succeeds in Columbus.

Qube is a marriage between television and the computer. Four central computers are used to "sweep" the cable system every six seconds, making a record of which sets are turned on and what channels they're tuned to—a sort of instant Nielsen rating. The computer automatically bills viewers who watch individual "pay-per-view" programs. It can tally the results of a survey or poll of viewers and display them on the screen within seconds. Using Qube, Warner says subscribers are able to give elected officials their opinions, take college-course quizzes at home, compete from their living rooms against game-show contestants on their screens or against other viewers, order merchandise from stores—all by pushing little buttons on their home terminals. Sometime in 1978, Qube subscribers will be offered fire, burglary and other emergency alarm services (at extra cost).

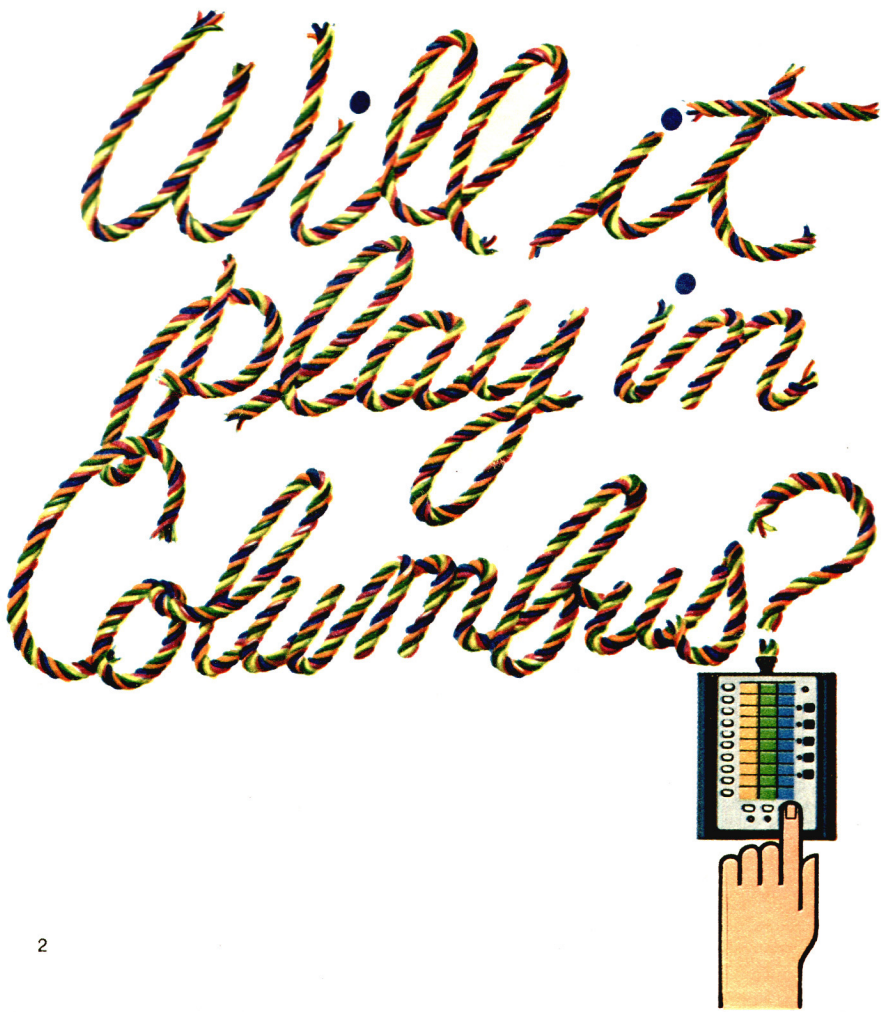
In addition to its back-talk aspects, Qube, which began operation on Dec. 1, brings 30 channels of television, entertainment, information and educa-

tion into its subscribers' homes in a community where only four TV channels can be received ordinarily. The 30 channels are divided into three groups: "T" channels for regular TV, "C" for community programming and "P" for premium shows. Qube is being offered to about 100,000 homes accessible to Warner's cable in Columbus and carries with it Warner's hopes for big-city cable TV. Traditionally successful in smaller communities isolated from TV stations, cable has been a flop in larger cities where many regular channels are available. But Warner Cable chairman Gustave Hauser is betting Qube will be different.

Warner Communications admits to having poured at least \$10 million into Qube so far, and some observers think it has considerably more money tied up. To develop this pilot project, it tapped some top TV, show-biz and educational talent. Qube's president is Lawrence B. Hilford, veteran movie and TV programming executive. Children's programs are in the hands of Dr. Vivian Horner, formerly of Children's Television Workshop, which developed *Sesame Street* and *The Electric Company*. Qube's principal local programming venture—*Columbus Alive*—is the brainchild of Michael Dann, the long-time CBS programming vice president, who later became a consultant to Children's Television Workshop.

Whenever a subscriber turns the set on, it automatically tunes to *Columbus Alive* on Ch. C-1. Mike Dann unabashedly admits that the show is a steal from the original *Today* show, which he helped create for NBC. *Columbus Alive*, according to Dann, is intended to bring the immediacy and excitement of live programming back to TV—at the local level—and at the same time establish a feeling of intimacy between viewer and box.

"People will watch this for the same reason they watch parades," says Dann. "They'll see their neighbors. →



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continued

And we'll continually ask questions. How many people are making peanut butter sandwiches today? How many tuna? We'll tally the results right before their eyes." *Columbus Alive*, as originally conceived, was a fantastically ambitious undertaking, starting at 6:30 every morning and running all day with original, live programming. But by the time Qube service started, it was cut down to about three hours a day—to be gradually expanded, Hauser says.

Among the regular features of *Columbus Alive* is "Going Once, Going Twice," a sort of televised tag sale in which viewers with interesting things to sell make cameo appearances and are provided by the computer with a list of subscribers who made tentative bids from their home terminals. Other features, some yet to be inaugurated, are scheduled to interview local people and visiting celebrities, ask the audience questions about community affairs and sports, take requests from viewers for a teen-age record-dance party and let subscribers participate in local quiz and game shows.

Columbus Alive runs commercials, too, and some could be as long as 10 minutes—but they're commercials with a difference. A local newspaper asks viewers' attitudes toward its various features. A travel agency's commercial will open by asking viewers which of five vacation spots they'd like to learn about—the location getting the most votes to be the subject of the rest of the commercial; viewers then push a button if they want to receive a brochure. A department store is expected to sponsor long live commercials with special demonstrations, such as the application of makeup.

Running 12 hours daily, seven days a week on Ch. C-3 is *Pinwheel*, a sort of TV baby sitter for preschoolers that boasts "no commercials and no violence." It features both new material shot especially for the Columbus audience and segments purchased from

other sources. There are now 160 hours in the can.

Another "C" channel is designated Selected Audience Programs and is for rent to organizations wishing to reach specialized portions of Qube's subscription list. For example, it could beam special courses to physicians or lawyers. The computers can determine which subscribers' homes are eligible to receive the program, automatically excluding those unqualified. The channel is also expected to find use in audience research, such as closed-circuit tests of TV commercials, the home audience immediately expressing its opinion via the response buttons.

How much will all this cost the subscriber? Well, after paying an installation charge of \$19.95 for new viewers, or \$9.95 for those already hooked to the existing Warner Cable system in Columbus, there's a monthly charge of \$10.95, which includes unlimited use of "T" and "C" channels. For a one-time fee of \$10, the subscriber can add five channels of stereo music piped to his own FM stereo receiver; also thrown in are simulcast channels for *Columbus Alive* (broadcast in stereo) and for premium TV concerts or films with stereo sound.

But that's only the beginning. Neatly itemized on the subscriber's monthly bills are all the "P" (for "premium") programs viewed. "P" also stands for "pay," and unlike most other pay-cable operations in which the viewer pays a monthly fee to watch all programs, Qube charges per program viewed. First-run movies are \$2.50 to \$3.50 each and are shown over and over so viewers can catch them at convenient times. *Movie Greats*, on a different channel, are \$1 each; all have been previously shown on commercial TV, but Qube presents them uncut, without commercials. Ch. P-10 is the naughty channel—R-rated movies at \$2.50 to \$3.50 each, available only to customers who elect beforehand to re-

ceive them (the computer delivers a blank screen on P-10 to those who don't).

Warner is producing a few of its own special premium shows for Qube—such as a series of nightclub performances taped in New York and a nightclub tour shot in Paris. Opera, ballet and symphony will be available, as well as rock concerts. Ch. P-6 is all sports—high-school, college and pro contests not on regular TV. Ch. P-9 is called *College at Home* and provides credit courses in such subjects as anthropology and accounting. *Better Living*, Ch. P-5, features non-credit courses, such as writing, speed reading and backgammon.

The ultimate in viewer participation will be Ch. P-8, called *Qube Games*, tentatively scheduled to start in January. The Qube people are a little indefinite about this one, except to say it will consist of contests of skill played by viewers for a small entry charge, probably around 75 cents. The computer may pick the top 20 or so scores for prizes, or there could be tournament finals to pick a grand winner.

Heavy viewers of "P" channels obviously can run up quite a hefty bill. If a family watches one movie, one special and one sports event a week, an opera or rock concert every month and takes one course, the monthly bill can total around \$60, including the regular \$10.95 fee. On the other hand, the viewer isn't required to watch any premium programming at all. In fact, he can eliminate all temptation by removing a special key from the home terminal, locking out all pay programs.

But Warner obviously is betting that viewers will dip broadly into the premium column to finance the freebies on the other channels. Live programming, such as that scheduled for *Columbus Alive*, is very expensive, and budget overruns may be responsible for the drastic cutback in the original dawn-to-dark plans for that show.

Warner repeatedly has declined to

state how many subscribers it has signed up (it just says "thousands"). And Warner Communications chairman Hauser says it would be "meaningless" to speculate how many will be needed to break even. "I don't know at the moment how many subscribers we'll need, because I don't know how much they'll buy." (Qube salesmen have been telling potential advertisers that the goal is 50,000 by June.)

Suppose nobody watches the expensive live programming on *Columbus Alive*? "That's the beauty of the system. If we have stuff nobody's watching—out! We'll find out right away—we don't have to wait. We'll ride with the public. A year from now we'll have a totally different product mix."

Qube obviously wasn't designed for Columbus alone. "It's a prototype," says Hauser. "It's like the space program—we don't know what the spin-offs will be."

Most broadcasters and many cable-TV operators are skeptical about Qube's prospects. But they'll be watching it closely. And Warner is betting millions of dollars that people will spend a lot of money on per-program viewing, and that they really do want to talk back to the television set—paving way for Qubes not only in Columbus, but perhaps in cities as large as New York. (END)

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"I'll open them during the commercials."

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